

MINUTES
BOARD OF DIRECTORS
SUNNYSLOPE COUNTY WATER DISTRICT
Regular Meeting
April 21, 2015

- A. CALL TO ORDER:** The meeting was called to order at 5:15 p.m. by President Hill, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.
- B. ROLL CALL: Present:** President Kathleen Hill; Directors Michael Alcorn, Dave Meraz, and Danny Villalon. (Director Judi Johnson, absent).
- C. PLEDGE OF ALLEGIANCE:** Director Alcorn led Directors, staff, and public in the Pledge of Allegiance.
- D. APPROVAL OF AGENDA:** Upon motion made by Director Meraz, seconded by Director Villalon, and carried 4-0 (Director Johnson absent), the agenda was approved as presented.
- E. PUBLIC COMMENTS AND AUDIENCE INTRODUCTIONS:** The Board welcomed members of the public and opened the meeting to public comments regarding matters not itemized on the agenda. There were no comments.

Staff present for Open Session: General Manager/Secretary Don Ridenhour; Attorney Alex Lorca; Executive Assistant/Stenographer Carol Porteur; Water/Wastewater Superintendent Jim Filice, Finance and Human Resource Manager Cathy Buck, and Assistant Engineer Rob Hillebrecht.

F. CONSENT AGENDA:

1. Approval of Minutes – for the Regular Meeting of March 17, 2015.
2. Allowance of Claims – to ratify disbursements for the period from March 10, 2015 through April 13, 2015, totaling \$856,807.83 which includes \$516,932.70 for payments to vendors and for employee compensation, \$338,896.00 paid to the City of Hollister for payments collected on their customer’s sewer billings net of our fees, and \$979.13, for customer refunds and deductions for checks returned for insufficient funds. The last check written as of April 13, 2015 was check #20708. The list of disbursements is as follows:

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
03/13/15	ACH 0692	EFTPS	-306.50
03/31/15	ACH 0693	EFTPS	-20,104.16
03/11/15	ACH 0694	RETURNED CHECK (Ck Ret. 03-01)	-340.88
03/18/15	ACH 0695	RETURNED ACH (ACH Ret 03-01)	-129.27
04/03/15	ACH 0696	Merchant Services	-808.28
03/13/15	DD 1321	Alcorn, Michael H	-277.05
03/13/15	DD 1322	Johnson, Judi H	-266.05
03/13/15	DD 1323	Meraz, David E	-92.35
03/13/15	DD 1324	Villalon, Daniel	-344.40
03/31/15	DD 1325	Alvarez, Abel	-4,634.95
03/31/15	DD 1326	Brill, Kelly L.	-4,550.01
03/31/15	DD 1327	Buck, Cathy L.	-6,463.21
03/31/15	DD 1328	Castro, Kevin G.	-4,843.92
03/31/15	DD 1329	Chavez, Jr., Manuel T.	-6,185.92
03/31/15	DD 1330	Eclarin, Ernesto P.	-4,771.80
03/31/15	DD 1331	Filice, James L.	-6,647.68
03/31/15	DD 1332	Hagins, Patrick M.	-4,619.43

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
03/31/15	DD 1333	Hillebrecht, Robert B	-3,529.65
03/31/15	DD 1334	Jackson, Patrick W.	-5,773.93
03/31/15	DD 1335	Malko, Kim A.	-2,684.26
03/31/15	DD 1336	Norman, III, Walter R.	-5,125.43
03/31/15	DD 1337	Padilla, David	-5,608.89
03/31/15	DD 1338	Porteur, Carol A.	-3,903.80
03/31/15	DD 1339	Quick, Troy E	-3,702.40
03/31/15	DD 1340	Ridenhour, Donald G	-9,796.40
03/31/15	DD 1341	Watson, Scott A.	-5,291.30
03/31/15	DD 1342	Zavala, Anabel G.	-4,168.91
03/13/15	20608	Hill, Kathleen A	-328.40
03/16/15	20609	Bianchi Kasavan & Pope, LLP	-585.95
03/16/15	20610	Bracewell Engineering, Inc.	-126.00
03/16/15	20611	Brenntag Pacific, Inc.	-1,071.04
03/16/15	20612	Calcon System, Inc.	-1,219.00
03/16/15	20613	City of Hollister-Finance Dept	-338,896.00
03/16/15	20614	CM Analytical, Inc.	-4,415.00
03/16/15	20615	EBCO Pest Control	-55.00
03/16/15	20616	GE Analytical Instruments, Inc.	-458.53
03/16/15	20617	NH3 Service Company	-902.75
03/16/15	20618	San Benito County Water District-Pumping	-17,097.70
03/16/15	20619	U.S. Bank Corporate Payment Systems	-1,450.20
03/16/15	20620	City of Hollister-Finance Dept	-128.94
03/23/15	20621	MARIA HERNANDEZ	-129.27
03/23/15	20622	Filice, James L.	-543.74
03/23/15	20623	A-1 Services	-403.00
03/23/15	20624	All Star Ready Mix, LLC	-40.80
03/23/15	20625	Atlas Copco Rental LLC (Air Comp. rent for SBR)	-25,865.02
03/23/15	20626	Ben Caputo Printing	-60.76
03/23/15	20627	Bianchi Kasavan & Pope, LLP	-770.00
03/23/15	20628	CM Analytical, Inc.	-1,745.00
03/23/15	20629	De Lay & Laredo	-2,000.00
03/23/15	20630	Excelsior Blower Systems	-1,277.52
03/23/15	20631	First Trust Alarm Company	-431.00
03/23/15	20632	National Notary Association	-59.00
03/23/15	20633	Radio Shack (Crystal T.V.)	-1.62
03/23/15	20634	Specialty Constr. Inc. (Emerg. leak repair-RMK Tanks)	-19,362.32
03/23/15	20635	Thomson West	-78.12
03/23/15	20636	Toro Petroleum Corp.	-552.78
03/23/15	20637	USA BlueBook	-128.67
03/24/15	20638	Postmaster	-218.02
03/30/15	20639	BRIAN & CATHY CALDWELL	-79.15
03/30/15	20640	DOLORES & MARIA DELACRUZ	-12.97
03/30/15	20641	INEZ EHRICH	-60.67
03/30/15	20642	CATHERINE GHEEN	-48.49
03/30/15	20643	KIMBERLY LLEWELLYN KAELIN	-25.76
03/30/15	20644	REAL TIME REALTY	-113.73
03/30/15	20645	MARIAN TANKERSLEY	-23.29
03/30/15	20646	DENGZHI ZHANG	-15.65
03/30/15	20647	Ridenhour, Donald G	-104.83
03/30/15	20648	AT&T	-248.49
03/30/15	20649	Ben Caputo Printing	-575.48
03/30/15	20650	City National Bank (1st pmt on loan that replaced 2002 Revenue Bonds)	-168,881.16
03/30/15	20651	Grainger, Inc.	-478.94
03/30/15	20652	Itron, Inc.	-789.82
03/30/15	20653	Palace Business Solutions	-688.84
03/30/15	20654	Petty Cash	-30.98
03/30/15	20655	Postmaster	-1,930.40
03/30/15	20656	VOID	0.00

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
03/30/15	20657	Engineering News-Record (ENR)	-165.00
03/30/15	20658	San Benito County Clerk (Election Nov.2014)	-12,472.35
03/31/15	20659	Employment Dev. Dept. (EDD) DE88 Pmts.	-7,530.06
03/31/15	20660	CalPERS - Retirement	-1,036.00
03/31/15	20661	CalPERS - Retirement	-600.10
03/31/15	20662	Nationwide Retirements Solutions	-12,410.73
03/31/15	20663	United Way of Santa Cruz	-120.00
03/31/15	20664	ACWA/JPIA	-11,810.01
03/31/15	20665	CalPERS - Health Insurance	-15,608.01
03/31/15	20666	CalPERS - Retirement	-28,492.21
03/31/15	20667	Dearborn National Life Insurance Company	-288.00
03/31/15	20668	HealthSmart Benefit Solutions, Inc. (VSP)	-336.93
03/31/15	20669	Premier Access Insurance Co.	-3,506.33
04/01/15	20670	Razzolink.com	-209.85
03/31/15	20671	Petty Cash	-4.65
03/31/15	20672	Postmaster	-54.60
04/06/15	20673	Ace Hardware (Johnson Lumber Co.)	-1,029.76
04/06/15	20674	AT&T	-281.53
04/06/15	20675	Brenntag Pacific, Inc.	-7,936.70
04/06/15	20676	Corix Water Products	-549.38
04/06/15	20677	Everbank Commercial Finance, Inc.	-224.60
04/06/15	20678	Gabilan Welding, Inc.	-102.63
04/06/15	20679	Mission Uniform Service	-822.03
04/06/15	20680	Monterey Bay UAPC Dist	-3,686.00
04/06/15	20681	New SV Media, Inc. (was So Valley Newsp)	-537.00
04/06/15	20682	NH3 Service Company	-856.75
04/06/15	20683	Northern Tool & Equipment Co.	-1,164.32
04/06/15	20684	O'Reilly Auto Parts	-6.37
04/06/15	20685	Palace Business Solutions	-274.34
04/06/15	20686	Postal Graphics (was Post Net)	-23.99
04/06/15	20687	Quinn Company	-979.90
04/06/15	20688	Recology San Benito County	-126.03
04/06/15	20689	San Benito County Water District	-200.75
04/06/15	20690	South Valley Internet, Inc.	-20.45
04/06/15	20691	State Water Resources Control Board-OOC	-630.00
04/06/15	20692	Underground Service Alert	-142.50
04/06/15	20693	Verizon Wireless	-414.09
04/06/15	20694	Wright Bros. Indust. Supply	-456.62
04/13/15	20695	Hagins, Patrick M.	-150.00
04/13/15	20696	Chavez, Jr., Manuel T.	-150.00
04/13/15	20697	Alvarez, Abel	-77.22
04/13/15	20698	All Star Ready Mix, LLC	-454.65
04/13/15	20699	Auto Tech Service Center, Inc.	-36.88
04/13/15	20700	Bianchi Kasavan & Pope, LLP	-30.00
04/13/15	20701	Brenntag Pacific, Inc.	-4,652.09
04/13/15	20702	Mc Master-Carr	-204.36
04/13/15	20703	Mission Uniform Service	-12.68
04/13/15	20704	National Meter & Automation, Inc.	-4,996.60
04/13/15	20705	P G & E	-17,551.95
04/13/15	20706	Tadco Supply	-257.29
04/13/15	20707	Toro Petroleum Corp.	-1,338.44
04/13/15	20708	U.S. Bank Corporate Payment Systems	-2,304.47
Total Disbursements			<u>-856,807.83</u>

Upon motion made by Director Villalon, seconded by Director Meraz, and carried 4-0 (Director Johnson absent), the consent agenda was approved as presented.

G. NEW BUSINESS:

**1. PUBLIC HEARING – CONSIDER ADOPTION OF RESOLUTION NO. 537
DECLARING A WATER SHORTAGE EMERGENCY AND IMPLEMENTING
THE DISTRICT’S WATER SHORTAGE CONTINGENCY PLANS:**

General Manager/Secretary Ridenhour stated that California is entering its fourth consecutive dry year, and rainfall during 2014 and 2015 was below average throughout the State. Snow levels in the Sierra Nevada are the lowest since records have been kept. Governor Edmund G. Brown Jr. declared a drought emergency in 2014 and that declaration still stands. Recently the State Water Resources Control Board adopted emergency regulations that mandated water agencies put in place various restrictions including limiting the number of days their customers can irrigate outside landscaping. On April 1, 2015 the Governor issued a Drought Executive Order requiring water agencies throughout the State to reduce water use by 25%, but on April 18, 2015 the District was notified that the water reduction is now at 28%. The Bureau of Reclamation has reduced 2015 delivery projections for the Central Valley Project (CVP) to 0% for Ag customers and 25% for municipal and industrial customers which is the lowest delivery projections San Benito County has ever received.

San Benito County Water District (SBCWD) adopted a resolution declaring a Water Shortage Emergency and implementing drought contingency plans at a special meeting and public hearing on April 1, 2015. The City of Hollister adopted of a resolution similar to the proposed Sunnyslope County Water District resolution at a City Council Meeting on April, 20, 2015. In 2014, the three agencies adopted a resolution implementing the Stage I Water Shortage Contingency Plan as detailed in the Hollister Urban Area Water Management Plan adopted in 2011. Staff from the City, SBCWD, and Sunnyslope have met and discussed recommending a modified Stage I contingency plan that requests customers voluntarily reduce water use by 28% compared to 2013 levels and restricts watering landscaping to two days per week as specified in the resolution. Mandatory reductions are proposed due to the draft regulations prepared by the State Water Resources Control Board implementing the Governor’s Executive Order. The draft regulations are expected to be adopted by the State Water Resources Control Board in early May and will require the District to reduce its water use by 28% compared to 2013 usage or face fines by up to \$10,000 per day. The proposed regulations require this reduction beginning in June and continuing through February 2016. General Manager/Secretary Ridenhour suggested the possibility of implementing a surcharge for high water users if the District has trouble meeting the State’s mandate.

The proposed restrictions of limiting outdoor watering to two days a week is consistent with those adopted by the State. Odd number addresses will be allowed to water on Tuesdays and Saturdays, with even numbers watering on Wednesdays and Sundays. Additional restrictions including limiting new development to drip or micro-spray irrigation has been added to reduce impacts from new development. Mr. Ridenhour stated that currently the District has three new developments that will be coming online and these developers already have plans for water conserving landscaping in the front yards of the new homes. Should the drought continue in future years, the District may have to stop allowing new developments to hookup. Sunnyslope customers have responded to the drought and reduced water consumption by 15.9% from July through December of 2014. Reductions during January through March have been less because the opportunities to conserve in the winter months are more difficult. Also included in the proposed resolution are penalties for violations. It is not staff’s intent to get aggressive with penalties immediately, but it may become necessary to comply with the Governor’s Executive Order. If additional enforcement becomes necessary, additional part-time staff may be needed to handle this work load. Staff is discussing future staffing needs and looking for ways to partner with the City of Hollister and the Water Resource

Agency on our drought education and outreach program. Mr. Ridenhour feels it is in the best interest for the City of Hollister, Sunnyslope County Water District, and the Water Resources Association to approach the “water monitoring” as a joint venture so that each agency is consistent with each other in encouraging water conservation.

Staff believes that no water rate increases are necessary to offset the voluntary reduction through careful management of District financial reserves. Sunnyslope and the Hollister Urban Area are fortunate to have groundwater supplies sufficient to accommodate additional consecutive dry years with limited imported surface water available. Sunnyslope expects to experience a reduction in surface water supply deliveries of 500 acre feet to the Lessalt Water Treatment Plant in 2015. With the recent upgrade to the Lessalt Water Treatment Plant, staff expected to treat 2,200 acre feet of water in 2015 but will be limited to 1,700 acre feet. Sunnyslope’s total water demands in 2014 was approximately 2,540 acre feet and the reduced surface water delivery can be replaced with groundwater. Due to the severity of the statewide drought and the Governor’s recent Executive Order, staff feels it is prudent to ask our customers to reduce water consumption by 28% and to limit outdoor watering to two days per week to save precious water resources in case of additional dry years and to conserve our groundwater resources.

President Hill inquired as to when this new resolution would take effect and General Manager/Secretary Ridenhour stated that once the resolution is adopted, the resolution would go into effect immediately, whereas the District would begin their outreach to customers but the State mandate will go into effect in the middle of May.

General Manager/Secretary Ridenhour stated that a Public Notice regarding the proposed Resolution declaring a water shortage emergency and implementing the District’s water shortage contingency plans was printed in the Hollister Freelance newspaper on April 10, 2015 as required.

General Manager/Secretary Ridenhour stated that he has been approached by concerned customers regarding the new developments in the District and how they will affect the water shortage. His response is, at the current time, the District has enough water stored to meet the District needs including the few new homes that will be connecting to the District.

Upon motion made by Director Alcorn, seconded by Director Villalon, and carried 4-0 (Director Johnson absent), the Board is amending #2 of Resolution No. 537 to state, “District water customers are mandated to reduce water consumption by 28% compared to their water use in 2013”, changing the 25% to 28%.

Upon motion made by Director Meraz, seconded by Director Villalon, and carried 4-0 (Director Johnson absent), the Board adopted Resolution No. 537, as revised above, declaring a water shortage emergency and implementing the District’s water shortage contingency plans.

- 2. CONSIDER PROCLAIMING MAY 2015, AS “WATER AWARENESS MONTH”:** Shawn Novack, Water Conservation Program Manager for Water Resources Association of San Benito County stated that for the past twenty-five years, the month of May has been celebrated as water awareness month. Each year, new water awareness issues are brought forward to inform and educate California agricultural and urban water users.

Shawn Novack stated that once customers start irrigating their yards, the water consumption can go up anywhere from 50% to 70%, which is why it is very important to

plant climate appropriate/drought tolerant plants. Mr. Novack reported that the turf removal program was a huge success and have had approximately 35,000 sq. feet of turf removed, which will help with water conservation.

Mr. Novack read aloud the proclamation which he prepared:

The highlighted ***Water Awareness*** issues for this year are:

- ◆ California's arid and semi-arid climate makes shortages and conflicting demands the norm; and
- ◆ Climate change could limit the State and Federal government water infrastructure due to less snow pack; and
- ◆ The health, welfare, and quality of life for our community depend on reliable and a high quality water supply; and
- ◆ A diverse water supply portfolio including conservation, water reuse, and new supplies is critical to our region's future; and
- ◆ Municipal agencies continue to seek cost-effective and efficient systems to deliver water to our residents; and
- ◆ The State, County, cities, and concerned citizens make efforts to foster wise decisions concerning water issues and use; and
- ◆ Home water use can be significantly reduced by adopting personal water conserving practices, and
- ◆ California will experience periodic droughts and water conservation is critical at all times; and
- ◆ Landscape irrigation makes up over half of home water use and can be reduced by monitoring irrigation systems and adopting water efficient landscaping practices; and
- ◆ Sunnyslope CWD along with other agencies is working to provide cost effective means to reduce water use and the degradation of our water supply from water softener salts; and
- ◆ During May 2015, the District is inviting everyone to find ways to save water both at work and at home.

Upon motion made by Director Meraz, seconded by Director Alcorn, and carried 4-0 (Director Johnson absent), the Board approved the proclamation that the month of May 2015 be recognized as Water Awareness Month.

- 3. CONSIDER AUTHORIZING THE GENERAL MANAGER TO ORDER AND PURCHASE ONE REPLACEMENT SERVICE TRUCK AT A TOTAL COST OF APPROXIMATELY \$41,350:** General Manager/Secretary Ridenhour stated that the District's service vehicles are aging and the financial plan developed as part of the new water and wastewater rates anticipated replacing one vehicle per year of the District's fleet, beginning in fiscal year 2013/2014. Staff is requesting authorization to replace one vehicle that will be for fiscal year 2015/2016. Once the truck is ordered, it will be delivered in approximately 4 months.

Mr. Ridenhour explained that the vehicle proposed to be replaced is a 2002 GMC 1-ton truck with an odometer reading of 113,378 miles. This truck is aging and replacement will likely result in avoiding the cost of major repairs in the next few years. The District's vehicles are used daily and make many short trips, which adds to wear and tear on the vehicle, and the miles driven on this vehicle are not highway miles.

The total cost of the new truck is approximately \$41,350 which includes service body installed, tax, delivery, lights bar, radio installation, and GPS installation. The existing radio and GPS system will be moved from the existing truck to the new truck. Prices are

from the State of California bids and the truck is proposed to be purchased from Winner Chevrolet/Elk Grove Dodge who is currently the State low bid dealership.

Director Alcorn suggested that the District look into leasing the trucks and including a maintenance package in the future as it may save the District money and allow a more frequent turn over of the trucks. General Manager/Secretary Ridenhour agreed that may be an option and will do research on the lease option.

Cathy Buck reported that the Surplus 1999 GMC Truck sold for \$2,000, the sale of which was previously authorized by the Board.

Upon motion made by Director Villalon, seconded by Director Meraz, and carried 4-0 (Director Johnson absent), the Board authorized the General Manager to order and purchase a replacement service truck at a total cost of approximately \$41,350.

- 4. CONSIDER AUTHORIZING THE GENERAL MANAGER TO PURCHASE 300 REPLACEMENT WATER METERS AND A MOBILE METER READING COMPUTER FOR A TOTAL COST OF APPROXIMATELY \$96,025:** General Manager/Secretary Ridenhour explained that the District has been replacing water meters that are reaching the end of their service life of approximately 15 years. The District's inventory of the 5/8" x 3/4" meters has been depleted and to keep up with replacements, staff is requesting authority to purchase 300 meters (\$242.75 per meter). The District is also in need of a replacement mobile meter reading computer (\$16,500) as the current mobile reader is ten years old and the software and hardware need upgrading. A failure of this equipment would impact the District's ability to bill customers on a timely basis.

Mr. Ridenhour stated that the meters that staff are proposing to purchase, are a new style of water meter offered by Badger that capture low flows more accurately and have no moving parts. They come with a 20-year guarantee and are much easier for the customer to read. The purchase of the meters and the replacement of the mobile meter reading computer was anticipated in the capital budget presented to the Board with the operations budget in June of 2014. The purchase of the meters will allow staff to continue its replacement of meters that are older than 15 years.

Upon motion made by Director Meraz, seconded by Director Villalon, and carried 4-0 (Director Johnson absent), the Board authorized the General Manager to purchase replacement water meters and a mobile automated meter reading computer for a total cost of approximately \$96,025.

- 5. CONSIDER MODIFICATION OF PERSONNEL POLICY #3007, INCREASING ON-CALL COMPENSATION TO \$225 PER WEEK AND \$50 ADDITIONAL FOR HOLIDAYS:** General Manager/Secretary Ridenhour stated that the District has not increased the compensation for staff that are on-call in over ten years. In 2014, management made on-call assignments mandatory for all our maintenance staff. The District has two staff members on-call at all times with one assigned to the water and wastewater treatment facilities, and the other assigned to the water distribution and sewer collection system. Actual after-hour call-outs vary each week, but on-call staff are required to work 2.7 hours each weekend day and holiday to perform required assignments that must be performed seven days a week. The current on-call pay is \$150 per week for collection and distribution system staff and \$175 per week for treatment plant staff. Originally the \$175 per week for treatment plant responsibilities was for supervisory staff. Mr. Ridenhour reported that staff did a comparison of various agencies in the area and the District was lower than all comparison agencies.

The Personnel Committee and the General Manager recommend increasing on-call compensation to \$225 per week for all on-call staff and an additional \$50 for holidays including New Year's Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day following Thanksgiving, and Christmas Day.

Upon motion made by Director Meraz, seconded by Director Alcorn, and carried 4-0 (Director Johnson absent), the Board approved the modification of Personnel Policy #3007 increasing on-call compensation to \$225 per week and \$50 additional for holidays.

- 6. BOARD PRESIDENT CONSIDER ASSIGNING CHECK SIGNING DUTIES FOR THE REMAINDER OF 2015:** General Manager/Secretary Ridenhour explained that the President of the Board duties include assigning Directors to serve on the five standing committees, the Water Resources Agency, the Association of California Water Agency Joint Powers Insurance Authority, and to perform check signing responsibilities on behalf of the District. In December 2014, the Board discussed rotating the District's check signing responsibilities quarterly, and assigned Director Danny Villalon check signing duties for the first quarter of 2015. Director Villalon has continued check signing duties into April, since the duty has not been assigned to another Board member yet. Staff requests the Board President consider making assignments for each of the remaining three quarters of 2015. This would include an assignment for May and June, July through September, and October through December 2015.

After discussion among the Board, President Hill asked Director Villalon if he would continue signing through June to keep the assignment to the three month quarters, and Director Villalon agreed to do so. President Hill then assigned July through September to Director Alcorn, and October through December to Director Johnson, and since Director Johnson was absent from this meeting, it was agreed that if she is not able to take on the responsibility, then Director Meraz will be assigned to October through December.

H. BOARD COMMITTEE and STATUS REPORTS

- 1. Governance Committee:** General Manager/Secretary Ridenhour reported no meeting held.
- 2. Water/Wastewater Committee:** General Manager/Secretary Ridenhour reported that the committee met on March 30th to discuss drought declaration and resolution; scheduling, financing, and letter of credit to Bridge Financing for the West Hills Water Treatment Plant; the Lessalt Water Treatment Plant Open house scheduled for April 18th from 11:00 a.m. to 1:00 p.m.; and the flushable wipes response and action. Mr. Ridenhour reported that the committee met again on April 14th for an update on the drought declaration and proposed resolution; proposed water meter & meter reading computer purchase; and the Lessalt Water Treatment Plant Open House. Mr. Ridenhour stated that the tour and open house at the Lessalt Plant was well attended by approximately 80 people and the tour went well.
- 3. Finance Committee:** General Manager/Secretary Ridenhour reported no meeting held. Cathy Buck added that the committee would need to schedule a meeting for May to go over the 2015-16 FY Budget proposal.
- 4. Policy and Procedure Committee:** General Manager/Secretary Ridenhour reported the committee met on April 14th to review proposed Leak Adjustment Policy No. 8500; and review proposed changes to Chapter 1 – General Provisions, of the Personnel Policies and Procedures Manual. The Leak Adjustment Policy will be brought to the Board for action in May, but the changes to the Personnel Manual will take longer, as the entire manual will be reviewed and updated, then sent to our attorney's for comment before it is

brought to the full Board for approval.

5. **Personnel Committee:** General Manager/Secretary Ridenhour reported the committee met on April 6th to discuss CalPERS Rates and employee cost sharing contribution rate beginning July 1, 2015, and the on-call pay and comparison to other agencies. The on-call pay was brought to the Board on tonight's agenda, item #G-5.
6. **Water Resources Association of San Benito County (WRA):** Director Johnson, who is absent tonight, submitted a written report earlier on her attendance at the April 2nd meeting. In her report, she stated that most of the discussion was about the requirements of the mandated water reductions and that more information will be received at the local district level. Eliminating washing machine rebates was another topic discussed, it appears that this program is no longer favorable due to the expected life and efficiencies of the newer washing machines. There was discussion, which will be explored by the Managers of the Districts and Cities, of the potential of hiring "water police" to enforce mandated programs. The next meeting is scheduled for June 4th. General Manager/Secretary Ridenhour added that there was discussion on considering a revision to the toilet retrofit program, where the Water Resources would no longer provide the toilet to the customer, the customer would get their own toilet and still qualify for the rebate.
7. **Operation Summary, Statement of Income, Investment Summary, Maintenance, City Meter Reading, and Groundwater Level Measurement Reports:** Finance and Human Resource Manager Cathy Buck reported that she has prepared her monthly written narrative report on the Operations Summary (thru March 31, 2015), Statement of Income (thru February 28, 2015), and Investment Summary (thru March 31, 2015). She asked if there were any questions. President Hill remarked on the decrease in March for the wastewater income, and General Manager/Secretary Ridenhour responded that it was due to the expense incurred when the blowers failed at the Ridgemark Wastewater Treatment Plant.

The District's Investment Summary report reflects the total cash balance as of March 31, 2015 of \$8,317,437.30, which includes nine-months earned interest totaling \$10,720.13.

Water/Wastewater Superintendent Jim Filice reviewed the March, 2015, Maintenance Staff Report and asked if the Board had any questions. Director Meraz inquired about #9, replacing a low level indicator switch on the Granular Activated Carbon #1 Filter and whether it was a warranty item, to which Mr. Filice responded that originally the District believed it was a warranty item but have now determined that it is actually a maintenance cost. Director Villalon inquired about how the tank rehabilitation project was coming along, and General Manager/Secretary Ridenhour responded that staff has given the contractor a notice to proceed, but is having some difficulty getting them to start on the project. Mr. Ridenhour believes that possibly the contractor is finishing up a project at another location before beginning on the District's tanks.

Review of the Meter Reading Report for the period February 11, 2015 to March 16, 2015, reflects the intertie meter data indicates the City received 39.5% of Lessalt water, while the District received 60.5%. Mr. Filice stated that the City of Hollister owes the District slightly less water regarding the water exchange balance.

Water/Wastewater Superintendent Jim Filice reviewed the groundwater level report and noted the water levels are trending down. Director Alcorn asked if there would be any restrictions on well pumping for customers with their own wells. General Manager/Secretary Ridenhour replied that he believes there are no restrictions, but for

those customers that consume a large amount of water during this drought season may experience repercussions in the future years.

- 8. Active Tasks Update:** General Manager/Secretary Ridenhour reported that publicity and outreach efforts are having a positive effect to reduce the use of water softeners in the Ridgemark area and the WRA staff have been busy responding to customers on the District's behalf. Mr. Ridenhour stated that staff is discussing with City staff, the possible acquisition of the City's water tank at no cost to Sunnyslope. Staff has prepared a quitclaim deed for the City to transfer the tank, property, and easements to Sunnyslope. The tank needs significant repairs and the storage is not needed so staff is proposing to take it off line. Mr. Ridenhour stated that the repairs would be too costly, but at some point in the future, the District may want to remove that tank and replace it with a new one. The Lessalt operations budget has been developed and shared with City of Hollister and San Benito County Water District, and has been okayed by both agencies. Mr. Ridenhour added that the third blower is scheduled to be reinstalled on Friday, April 24th at the Ridgemark Wastewater Treatment Plant.

I. BOARD and STAFF REPORTS

- 1. Directors:** Director Johnson, who had to be absent for tonight's meeting, submitted a written report earlier to share her thoughts on attending the ACWA Region 5 Program on March 22nd and 23rd. She stated that the participants had an interesting tour of Santa Clara Valley Water District's advanced water purification facility with a full explanation of the complete system from microfiltration to reverse osmosis to ultraviolet light. The Monday program included information about Ensuring a Reliable Water Supply, and the presentation included Sunnyslope County Water District's General Manager, Don Ridenhour speaking on the Hollister Urban Area Water Project. The participants were welcomed by the Mayor of San Jose, and lastly received a presentation on the environment and energy.
- 2. District Counsel:** Attorney Lorca indicated he has no report.
- 3. Finance and Human Resource Manager:** Cathy Buck reported that the District has been approved by TransUnion for ability to request credit reports on customers, and the District will be implementing the new deposit policy soon.
- 4. General Manager:** General Manager/Secretary Ridenhour reported that he will be on vacation from April 23rd through May 1st, returning on Monday, May 4th.

J. FUTURE AGENDA ITEMS: Kennedy/Jenks contract for Operational Support Services for the Lessalt Water Treatment Plant; Leak Adjustment Policy; and hiring drought staff.

K. ADJOURNMENT: President Hill adjourned the meeting at 6:59 p.m.

APPROVED BY THE BOARD: s/ Kathleen A. Hill
Kathleen A. Hill, President

RESPECTFULLY SUBMITTED: s/ Donald G. Ridenhour
Donald G. Ridenhour, Secretary